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PRESUMED FUNCTIONAL UNTIL REBUTTED: THE INCREASED DIFFICULTY OF OBTAINING TRADE DRESS PROTECTION WITH AN EXPIRED UTILITY PATENT

Nancy Sya*

I. INTRODUCTION

Visualizing trademark law and patent law as two circles that slightly intersect one another helps illustrate how a small subset of issues can intertwine these two distinct areas of intellectual property law. To the casual observer, the significance of this small intersection, known as trade dress, may not be obvious. However, trade dress has evolved into a complex and contentious area of intellectual property law, where enormous interests are at stake.¹ Trade dress is a subset of trademark law that protects the total image of a product, thereby helping consumers identify the source of the product.² Subject to restrictions on functionality, trade dress can hold an indefinite monopoly over the physical features of an existing product in the market.³ However, functionality is synonymous with utility; functionality in physical features becomes further complicated when there is a utility patent on the product for

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1. See *infra* Part II.

2. See DONALD S. CHISUM & MICHAEL A. JACOBS, UNDERSTANDING INTELLECTUAL PROPERTY § 5C, at 5-31 (1992). Lanham Act Section 43(a) provides protection against the likelihood of confusion when others implement similar trade dress. See 15 U.S.C. § 1125(a) (2001).

3. The registration of a trade dress would last for a period of ten years. See 15 U.S.C. § 1058 (2001). The registration can be renewed for periods of ten years. See 15 U.S.C. § 1059 (2001). The Supreme Court has noted that "trademarks may be renewed in perpetuity." *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 165 (1995).

which trade dress protection is sought.⁴

In its latest trade dress decision, *Traffix Devices, Inc. v. Marketing Displays, Inc.*,⁵ the Supreme Court reshaped the trade dress landscape. The Court compared the functionality of the disputed feature with the presumption of that feature's functionality stemming from an expired utility patent claiming the feature. The *Traffix* decision represents a departure from many federal circuit court decisions, in which courts evaluated the functionality of the disputed features, while considering the company's need to imitate product design in order to remain competitive in the market.⁶

The ways in which the Supreme Court limits functionality for trade dress protection have substantial intellectual property implications. If the Court's latest test leaves too much room for a company to successfully assert trade dress for a feature mentioned in a utility patent, then the company can capitalize on this a loophole to obtain a monopoly over that feature even after the patent expires, frustrating the purpose of a patent as a temporary monopoly.⁷ On the other hand, if the *Traffix* test is more restrictive on trade dress, it may prompt legal scholars and intellectual property practitioners to question the desirability of trade dress protection in favor of exploring new solutions.

With the latest test for functionality now settled through the *Traffix* decision, this comment presents insights to understanding the application of *Traffix* in future trade dress cases. Part II of this comment examines the history and background of relevant statutes and case law leading up to *Traffix*, as well as other related areas of intellectual property law.⁸ Next, Part III describes the problems raised by the *Traffix* decision.⁹ Part IV analyzes the impact of the *Traffix* decision.¹⁰ Finally, Part V proposes a solution to the functionality issues raised in *Traffix*.¹¹

4. See generally Michael E. Peters, *When Patent and Trademark Law Hit the Fan: Potential Effects of Vornado Air Circulation Systems, Inc. v. Duracraft Corp. on Legal Protection for Industrial Design*, 15 TEMP. ENVTL. L. & TECH. J. 123, 125-26 (1996).

5. 532 U.S. 23 (2001).

6. See Gwendolyn Gill, *Through the Back Door: Attempts to Use Trade Dress to Protect Expired Patents*, 67 U. CIN. L. REV. 1269, 1293 (1999) (referring to *Vornado Air Circulation Sys., Inc. v. Duracraft Corp.*, 58 F.3d 1498 (10th Cir. 1995)).

7. See generally Gill, *supra* note 6.

8. See *infra* Part II.

9. See *infra* Part III.

10. See *infra* Part IV.

11. See *infra* Part V.

II. BACKGROUND

A. Patent Law Overview

Federal patent law is rooted in the United States Constitution, which called on Congress "to promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries."¹² Under its constitutionally-conferred power, Congress enacted the first statutory requirements for patents in 1790, and has continued to enact and modify patent statutes since then.¹³

For an invention to be patentable under federal law, it must be novel, nonobvious, and useful.¹⁴ Inventions may include "machines, devices, chemical compositions, and manufacturing processes."¹⁵ A new invention satisfies the novelty requirement.¹⁶ An invention is obvious if a publication, a previously granted patent, or a combination of patents or publications would have shown an ordinary person skilled in the area of the invention how to make the invention, even if these items did not disclose the exact invention.¹⁷ Finally, an invention must have utility to meet the usefulness requirement.¹⁸ When these three requirements have been successfully met, the United States Patent and Trademark Office (USPTO or just PTO) grants a utility patent for the claimed invention.¹⁹ The PTO issues protection for utility patents for a period of twenty years from the filing date of the original application.²⁰

12. U.S. CONST. art. I, § 8, cl. 8.

13. See CHISUM & JACOBS, *supra* note 2, § 2B, at 2-9 to 2-16.

14. See *id.* § 2A, at 2-8.

15. *Id.*

16. See 35 U.S.C. § 102 (2001). This section of the statute ensures that only new inventions are patented by demonstrating that the inventions did not exist before. See DONALD S. CHISUM ET AL., PRINCIPLES OF PATENT LAW 323 (2d ed. 2001).

17. See 35 U.S.C. § 103 (2001).

18. See 35 U.S.C. § 101 (2001).

19. The PTO would send a notice of allowance, informing the applicant of the issue fee amount and the three month due date, in which this three-month period cannot be extended. See 37 C.F.R. § 1.311 (2001). The actual issuance of the patent will follow after the timely payment of the issue fee. See 37 C.F.R. § 1.314 (2001).

20. See 35 U.S.C. § 154 (a)(2) (2001). "All patents (other than design patents) that were in force prior to June 8, 1995, or that issued on an application filed before June 8, 1995, have a term that is the greater of twenty years or seventeen years from the grant." MANUAL OF PATENT EXAMINING PROCEDURE § 2701 (8th ed. 2001) [hereinafter MPEP] (further explaining 35 U.S.C. § 154(c)). The Uruguay Round Agreements Act effectively amended the patent term. See *id.* Prior to the Uruguay

To obtain a utility patent, a patent examiner at the PTO examines the applicant's invention for novelty, nonobviousness, and utility by reviewing the completed application.²¹ The application must include a specification and any drawings necessary to facilitate the understanding of the invention.²² The specification comprises a detailed description of the invention, an explanation of how to produce or utilize the invention that enables one skilled in the inventive area to follow reasonably, and the claims made of the invention.²³ The description and the explanation must disclose the best mode of the invention, which is the best way to create the invention based on the inventor's knowledge at the time of the application.²⁴ The claims section describes the details of what the inventor considers to be his invention,²⁵ and serves as the basis for the patent grant.²⁶ After the PTO grants a patent, that patent becomes publicly available.²⁷

In addition to utility patents, the PTO also grants design patents for original, ornamental designs for "an article of manufacture," as opposed to a design for aesthetic purposes.²⁸ The design cannot be functional and must also meet the same statutory requirements as in the case of a utility patent application, such as novelty and nonobviousness.²⁹ The

Round Agreement Act, the utility patent term would last seventeen years from its grant. See CHISUM & JACOBS, *supra* note 2, § 2E, at 2-213.

21. See 35 U.S.C. § 111 (2001).

22. See *id.*

23. See 35 U.S.C. § 112, paras. 1-2 (2001).

24. See 35 U.S.C. § 112, para. 1.

25. See *id.* § 112, para. 2.

26. See *id.* "The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention." This statutory requirement is further elucidated by the MANUAL OF PATENT EXAMINING PROCEDURE, which states this part of the application as "the definition of that for which protection is granted." See MPEP, *supra* note 20, § 608.01(k). Patent prosecutors refer to the MANUAL OF PATENT EXAMINING PROCEDURE, in which the U.S. Patent and Trademark Office provides a comprehensive set of guidelines.

27. See generally *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 150-51 (1989) (discussing the mutual benefits that the inventor and the public would receive in the issuance of a patent). By disclosing his knowledge of his invention, the inventor would receive an exclusive right in making, using, or selling his invention for a limited duration, while the public would utilize the teachings from this disclosure. See *id.*

28. See 35 U.S.C. § 171 (2001).

29. See *id.* One can infer that the ornamentality requirement leads to a non-functionality requirement. See, e.g., MPEP, *supra* note 20, § 1504.01(c).

protection period for a design patent is fourteen years from the date the patent is granted.³⁰

Contrary to popular misconceptions, a patent does not provide the patent holder the right to make, use, or sell the protected invention.³¹ Instead, patent law rewards the innovation and assiduousness of an inventor by extending him or her a monopoly of limited duration in the form of the right to exclude others from making, using, or selling the claimed invention.³² This right allows the patent holder to recover research and development costs over a known time period without having to deal with competition.³³ For the PTO to grant this privilege from the government, the patent holder must disclose a clear description of the invention in the claims, an enabling explanation of how the invention is used or made, and the "best mode" for making the invention.³⁴ Once the patent expires, the information disclosed in the patent is dedicated to the public, and becomes available for anyone to make, use, or sell.³⁵ This quid pro quo in patent law serves three major purposes: (1) it provides incentives and rewards for innovation and invention; (2) it encourages the disclosure of inventions to advance science and bestow the information to the public for its use after the expiration of the patent; and (3) it assures that only truly novel inventions are granted patent protection, so that any invention already available to the public is not later removed and offered to a single inventor as a monopoly.³⁶

B. *Trademark Law Overview*

The concept of trademarks has existed for centuries across the globe.³⁷ Archaeologists have unearthed artifacts in the Middle and Far East with symbols, designating the mark of particular craftsmen, long before the practice began in Europe.³⁸ Not until the Middle Ages did the European guild members start to affix their mark upon the goods they produced, as both a

30. See 35 U.S.C. § 173 (2001).

31. See generally Gill, *supra* note 6.

32. See 35 U.S.C. § 154(a)(1) (2001).

33. See Gill, *supra* note 6, at 1275-76.

34. See 35 U.S.C. § 112.

35. See *Bonito Boats*, 489 U.S. at 150.

36. See *Thomas & Betts Corp. v. Panduit Corp.*, 138 F.3d 277, 284 (7th Cir. 1998).

37. See ARTHUR R. MILLER & MICHAEL H. DAVIS, *INTELLECTUAL PROPERTY: PATENTS, TRADEMARKS, COPYRIGHTS IN A NUTSHELL* 155 (3d ed. 2000).

38. See *id.*

means of identifying the product to the particular guild and as a method of attaching certain quality controls over the goods.³⁹ Such identifying marks enabled the guilds to compete more effectively in the marketplace.⁴⁰

In the United States, trademark law began as a facet of unfair competition law that evolved from state "common law," deriving from court decisions rather than statutory provisions.⁴¹ Initially, the effect of trademark law was narrow and geographically constrained,⁴² only allowing a manufacturer or seller to acquire trademark rights through use of a distinctive mark applied to the goods sold.⁴³ In addition, a trademark owner had no rights over another party's later good faith usage of the mark in a geographically different region.⁴⁴ Such a later user, called the junior user, could therefore secure exclusive trademark rights in his own region.⁴⁵ Furthermore, a trademark owner had no rights against the usage of his mark in non-competing goods or services.⁴⁶

The expansion of the national economy in the 1800s then created a need for a federal trademark registration system.⁴⁷ However, the initial attempts to create such a system were unsuccessful.⁴⁸ In 1947, Congress enacted the Lanham Act,⁴⁹ under its Commerce Clause power, creating the system of federal trademark law that many people are familiar with today.⁵⁰

39. *See id.* at 154.

40. *See id.*

41. *See* CHISUM & JACOBS, *supra* note 2, § 5B, at 5-9.

42. *See id.*

43. *See id.*

44. *See id.*

45. *See id.*

46. *See id.*

47. *See* CHISUM & JACOBS, *supra* note 2, § 5B, at 5-10. Congress first attempted to legislate trademark registration in 1870. *See id.*

48. In 1879, the Supreme Court struck down the 1870 trademark registration statute, declaring it as unconstitutional because trademark did not qualify for constitutional protection as a patentable invention or a copyrightable work of authorship. *See id.* The Constitution specifically provided Congress the power to legislate patent and copyright statutes. *See* U.S. CONST. art. I, § 8, cl. 8. However, the Court recognized that "Congress could protect trademarks used in interstate and foreign commerce." CHISUM & JACOBS, *supra* note 2, § 5B, at 5-10. Thus, Congress enacted all subsequent trademark legislation, whereby extending protection to trademarks used in interstate commerce. *See id.*

49. The Lanham Act comprises 15 U.S.C. §§ 1051-1127. *See* 15 U.S.C. §§ 1051-1127 (2001).

50. *See* CHISUM & JACOBS, *supra* note 2, § 5B, at 5-8.

Today, trademark law extends an exclusive governmental grant to the trademark owner, to use "marks that distinguish one manufacturer, merchant, or service provider's goods or services from those of others."⁵¹ It serves several commercial functions, such as: (1) identifying goods or services to consumers; (2) identifying the origin or source of the goods or services; (3) acting as a quality assurance badge from the source; and (4) serving as an advertising tool.⁵² These functions are cultivated by balancing four interests: (1) consumer interest in not being misled as to the source of the goods or services; (2) the trademark owner's interest in maintaining his goodwill; (3) consumer and potential competitor interest in free competition and market entry opportunities; and (4) public interest in an impartial and effective legal system.⁵³ The privileges of a trademark grant can be separated into three components: (1) the use of a mark; (2) the exclusion of others from using a mark; and (3) the registration of a mark.⁵⁴

A trademark can range in form, from words, a device that serves to distinguish goods or services, designs, color patterns, scents, packaging, to a product's non-functional design.⁵⁵ Whatever form the trademark may take, it must be distinctive and cannot be confusingly similar to previously used or registered marks.⁵⁶ Even though a mark may qualify as distinctive, it nevertheless may not be registered if it contains an immoral or functional element.⁵⁷

C. Trade Dress Law

Trade dress law can be classified as a subset of trademark law, and thus is protected under the Lanham Act and state unfair competition laws.⁵⁸ Trade dress protection originally included exclusive rights over the packaging, labeling, or display of a product, but now may entail the product's "total image," including its texture, color, shape, size, and other

51. See *id.* at 5-7.

52. See *id.* at 5-8.

53. See *id.*

54. See *id.* at 5-10.

55. See CHISUM & JACOBS, *supra* note 2, § 5B, at 5-7.

56. See 15 U.S.C. § 1052(d) (2001).

57. See *id.* § 1052(a). See also *id.* § 1052(e).

58. See CHISUM & JACOBS, *supra* note 2, § 5B, at 5-31. In this section of the comment, later references to trademarks or marks also apply to trade dress.

characteristics.⁵⁹ A trade dress can be registered as a trademark, but it is also commonly addressed as an unregistered trademark.⁶⁰ If unregistered, the trade dress must have been able to qualify as a trademark for it to be protected.⁶¹ To prove infringement of an unregistered trade dress, the owner would have to prove that the trade dress was distinctive, non-functional,⁶² and that consumers would likely be confused as to the source of the product created by the allegedly infringing use.⁶³

As with trademarks, trade dress has levels of distinctiveness: (1) arbitrary or fanciful; (2) suggestive; (3) descriptive; and (4) generic.⁶⁴ Both arbitrary or fanciful trade dress and suggestive trade dress are inherently distinctive, and they are automatically protected from infringement.⁶⁵ Descriptive trade dress is not inherently distinctive, and thus must acquire secondary meaning before it can be protected by law.⁶⁶ To acquire secondary meaning, consumers must mentally associate a product feature with the source of the product rather than with the product itself.⁶⁷ Generic trade dress is not distinctive, making it unprotectable.⁶⁸

59. See Gill, *supra* note 6, at 1280-81.

60. See *id.*

61. See 15 U.S.C. § 1125(a) (2001). Even though the Lanham Act protects unregistered trademarks and trade dress, the benefits of registration far exceed the costs and resources expended in the registration process. For example, registration provides nationwide protection from the date of application, while serving notice to others of the existence of the registered mark. If the owner uses the registered mark continuously for five years, it may become incontestable, thereby limiting the types of challenges that an alleged infringer may bring. In litigation, a registered mark creates an evidentiary presumption on the prima facie validity of the mark. In counterfeit cases, registered marks also provide enhanced remedies for the owners. See JANE C. GINSBURG ET AL., TRADEMARK AND UNFAIR COMPETITION LAW 221-22 (3d ed. 2001).

62. See 15 U.S.C. § 1125(a) (2001). See also 15 U.S.C. § 1052(f) (2001).

63. See 15 U.S.C. § 1114(a) (2001). Courts determine the likelihood of confusion by weighing in various factors, such as: "the degree of similarity between the marks, the proximity of the products, the defendant's intent in selecting the allegedly infringing mark, evidence of actual confusion, and the strength of the plaintiff's mark." GINSBURG ET AL., *supra* note 61, at 392.

64. See CHISUM & JACOBS, *supra* note 2, § 5C[3], at 5-59 to 5-60.

65. See generally *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 768 (1992).

66. See *id.* at 769.

67. See *Qualitex Co. v. Jacobson Prods. Co., Inc.*, 514 U.S. 159, 163 (1995).

68. See *Two Pesos*, 505 U.S. at 768.

D. *Functionality*

While courts agree that functional designs may not gain trademark or trade dress protection, they differ in their definition of functionality and its application.⁶⁹ Additionally, there are several types of functionality, such as utilitarian versus aesthetic and de facto versus de jure.⁷⁰

A common definition of functionality can be found in the Restatement (Third) of Unfair Competition,⁷¹ which focuses on whether the design imparts "benefits in the manufacturing, marketing, or use of the goods or service," without the design's importance being "an indication of source."⁷² It comments that a functional design affects competition and cannot be readily available through alternative designs.⁷³

Alternatively, courts and legal commentators turn to the *Morton-Norwich* factors in determining functionality in trade dress.⁷⁴ In the case of *In re Morton-Norwich Products, Inc.*, the late Judge Rich discussed de facto and de jure functionality in product designs.⁷⁵ He described de facto functionality as "functional in the lay sense," meaning that the product design or its features were "directed to the performance of a function."⁷⁶ When de facto functionality is found, trade dress protection is not precluded.⁷⁷

On the other hand, de jure functionality means that the feature or design cannot be protected as a matter of law.⁷⁸

69. See *infra* Part II.G.

70. See generally CHISUM & JACOBS, *supra* note 2, § 5C, at 5-40 to 5-50.

71. See RESTATEMENT (THIRD) OF UNFAIR COMPETITION § 17 (1995).

72. See *id.*

73. See *id.*

74. See *In re Morton-Norwich Products, Inc.*, 671 F.2d 1332 (C.C.P.A. 1982). By "Shepardizing" *Morton-Norwich* on LexisNexis on September 16, 2002, there were 329 references citing back to *Morton-Norwich*. Even after *Traffix*, the United States Court of Appeals for the Federal Circuit (CAFC) still refers back to the *Morton-Norwich* factors for de jure functionality determination. See, e.g., *Valu Engineering, Inc. v. Rexnord Corporation*, 278 F.3d 1268 (2002). Legal scholars, such as Donald Chisum of Santa Clara University, also discuss these factors in their publications. See, e.g., CHISUM & JACOBS, *supra* note 2, § 5C, at 5-40. *Morton-Norwich Products, Inc.* had applied for a trademark on its spray bottle design, which were used in bottles of various cleaners, such as Fantastik® and Glass Plus®. The U.S. Patent and Trademark Office had rejected the application, which was subsequently challenged.

75. See *In re Morton-Norwich Products*, 671 F.2d at 1337.

76. See *id.* (internal quotation omitted).

77. See *id.*

78. See *id.*

Courts consider the following factors in determining de jure functionality: (1) the existence of a utility patent disclosing the utilitarian advantages of the design; (2) advertising materials in which the originator of the design touts the design's utilitarian advantages; (3) the availability of functionality equivalent designs to competitors; and (4) facts indicating that the design results in a comparatively simple or cheap method of manufacturing the product.⁷⁹

Another subset of functionality is aesthetic functionality, applied to aesthetic design elements that are considered crucial features to the product's commercial success.⁸⁰ This terminology originated from the Restatement, which deemed the aesthetic features as "functional" when consumers purchased the goods largely for their aesthetic value.⁸¹ The federal circuit has allowed trade dress protection for aesthetic designs so as long as competition was not severely hindered as a result.⁸²

E. *Pre-Lanham Act*

Under Supremacy Clause principles, federal patent law preempts state trademark and unfair competition law in trademark cases that also involve patents.⁸³ The Supreme Court cases in the pre-Lanham Act period produced a "judicially created doctrine" in the area of public rights when dealing with expired patents.⁸⁴

In one pre-Lanham Act case, *Singer Manufacturing Company v. June Manufacturing Company*,⁸⁵ Singer sued its competitor under Illinois state unfair competition laws for copying the appearance of its sewing machines as disclosed in its expired

79. See *id.* at 1340-41. In applying these factors in *Morton-Norwich*, Judge Rich seemed to have placed the most importance on the availability of alternative designs. See *id.* at 1342. In cases dealing with the existence of a utility patent, a case-by-case examination is done, to see if the patent discloses any utilitarian advantage on the disputed feature or design. Thus, the existence of a utility patent was not an automatic preclusion of trade dress protection, but an evidence of functionality. See, e.g., *In re Weber-Stephen Products Co.*, 3 U.S.P.Q.2d 1659 (T.T.A.B. 1987) (registering the kettle body and legs design of a barbeque grill as a trade dress, which the examiner had rejected due to the presumed functionality stemming from earlier utility patents).

80. See CHISUM & JACOBS, *supra* note 2, § 5C, at 5-43.

81. See *id.*

82. See *id.* at 5-43 to 5-48.

83. See Gill, *supra* note 6, at 1282. Prior to the Lanham Act, trademark issues were governed by state law only. See *supra* note 41 and accompanying text.

84. See Gill, *supra* note 6, 1282.

85. 163 U.S. 169 (1896).

utility patents.⁸⁶ In the patents, Singer had distinguished its machines from the competition by both function and appearance.⁸⁷ The Supreme Court ruled against Singer, stating that the invention covered by a utility patent became dedicated to the public upon expiration.⁸⁸ The Court held that once dedicated to the public, anyone could make the invention in the form previously covered by the patent.⁸⁹

Similarly, in *Kellogg Co. v. National Biscuit Co.*,⁹⁰ National Biscuit made and sold shredded wheat in the form of pillow-shaped biscuits⁹¹ and held patents covering the machine, process, and the product itself.⁹² After the patents expired, Kellogg also began making a pillow-shaped biscuit cereal that it called shredded wheat.⁹³ National Biscuit sued Kellogg under state unfair competition law for copying the cereal design and name.⁹⁴ The Supreme Court ruled the same way as it did in *Singer*, reiterating that an invention covered by an expired utility patent has passed into the public domain.⁹⁵

F. *Post-Lanham Act*

In 1964, the Supreme Court decided two companion cases dealing with trade dress and patent law issues,⁹⁶ both of which arose under state unfair competition claims.⁹⁷ In *Sears, Roebuck & Co. v. Stiffel Co.*⁹⁸ and *Compco Corp. v. Day-Brite Lighting, Inc.*,⁹⁹ the plaintiffs each held design patents on the contested product configurations, which the lower federal courts invalidated after the plaintiffs brought an infringement suit.¹⁰⁰ The Supreme Court expanded the public dedication doctrine from *Singer* and

86. *See id.* at 172.

87. *See id.*

88. *See id.* at 185.

89. *See id.*

90. 305 U.S. 111 (1938).

91. *See id.* at 113.

92. *See id.* at 117.

93. *See id.* at 113.

94. *See id.* at 115.

95. *See id.* at 119-20.

96. *See Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225 (1964); *Compco Corp. v. Day-Brite Lighting, Inc.*, 376 U.S. 234 (1964).

97. *See Sears*, 376 U.S. 225 (1964); *Compco*, 376 U.S. 234 (1964).

98. 376 U.S. 225 (1964).

99. 376 U.S. 234 (1964).

100. The parties in *Sears* produced pole lamps. In *Compco*, both parties manufactured fluorescent light fixtures. *See Sears*, 376 U.S. at 226; *Compco*, 376 U.S. at 234.

Kellogg by equating an invention covered by an expired patent with an unpatentable invention.¹⁰¹ Furthermore, the Court held that state unfair competition law could not preempt public dedication by preventing the public from copying of an invention no longer protected by patent law.¹⁰²

Two decades later, the Supreme Court began to shift its trade dress analysis.¹⁰³ In a footnote to *Inwood Laboratories, Inc. v. Ives Laboratories, Inc.*,¹⁰⁴ the Supreme Court stated that a design feature was functional "if it is essential to the use or purpose of the article or if it affects the cost or quality of the article."¹⁰⁵ The Court followed this definition in *Qualitex Co. v. Jacobson Products Company, Inc.*,¹⁰⁶ adding that a product feature is functional "if the exclusive use of the feature would put competitors at a significant non-reputation-related disadvantage"¹⁰⁷—referred to as the competitive necessity test.¹⁰⁸

Following these cases, the various circuit courts have applied the functionality definition with varying results.¹⁰⁹ In *Vornado Air Circulation Systems, Inc. v. Duracraft Corp.*,¹¹⁰ the Tenth Circuit Court of Appeals decided that functionality in trademark cases depended upon competitive need.¹¹¹ It held the disputed feature to be a "significant inventive aspect" of the invention as covered by the expired utility patent,¹¹² thus the Court barred the plaintiff from asserting trade dress protection on these grounds.¹¹³ The expired utility patent would enter public domain.¹¹⁴ On the other hand, the Seventh Circuit Court

101. See *Sears*, 376 U.S. at 231.

102. See *Compco*, 376 U.S. at 238.

103. See *infra* note 105-08 and accompanying text.

104. 456 U.S. 844 (1982). In *Inwood*, the dispute centered upon generic drug manufacturers producing the same-looking pharmaceutical capsules, in which the utility patent for the pharmaceutical had expired. The capsule's color was found to be functional because it assisted the patients' recognition of the medicine. See *id.*

105. *Id.* at 850.

106. 514 U.S. at 165 (quoting *Inwood Labs., Inc. v. Ives Lab., Inc.*, 456 U.S. 844, 850 (1982)).

107. See *id.* at 165.

108. See *Traffix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23 (2001).

109. See *infra* notes 110-16 and accompanying text.

110. 58 F.3d 1498 (10th Cir. 1995). The product design at issue involved household fan grills with spiral vanes. See *id.*

111. See *id.* at 1507.

112. See *id.* at 1510.

113. See *id.*

114. See *id.* at 1509.

of Appeals in *Thomas & Betts Corp. v. Panduit Corp.*¹¹⁵ determined that the expired utility patent in the case did not prevent the disclosed product configuration from gaining trade dress protection because the challenged configuration was not described in the patent claims.¹¹⁶

G. *Related Copyright Law*

Copyright law has also addressed the difficulties present in separating functional and aesthetic aspects of industrial designs, wherein objects of beauty and utility have merged.¹¹⁷ Just as it is true for trademark law, copyright law does not extend any protection to functional, utilitarian features, protection of which is the exclusive province of patent law.¹¹⁸

Until *Mazer v. Stein*,¹¹⁹ it was not clear whether the law allowed copyright protection of artistic works within an industrial design.¹²⁰ *Mazer* involved the copyrightability of Balinese dancer statuettes incorporated as bases of table lamps.¹²¹ The Supreme Court upheld the copyright protection for works embodied in utilitarian objects as to their form but not as to their functional features.¹²² In dicta, the *Mazer* Court also commented that possession of a design patent did not preclude copyright protection.¹²³

Subsequently, section 101 of the 1976 Copyright Act codified the separability standard created in *Mazer*.¹²⁴ According to this section, the difference between copyrightable works of applied art and uncopyrightable industrial design lies in whether the design of a useful article "incorporates pictorial, graphic, or sculptural features that can be identified separately from, and are capable of existing independently of, the

115. 138 F.3d 277 (7th Cir. 1998). The plaintiff held an expired patent on a two-piece cable tie with an oval head, where the shape of the head was not stated in the claims. After the patent had expired, the defendant started to sell a similar cable tie. See *id.*

116. See *id.* at 291.

117. See MARSHALL LEAFFER, UNDERSTANDING COPYRIGHT LAW 116 (3d ed. 1999).

118. See *id.*

119. 347 U.S. 201 (1954).

120. See LEAFFER, *supra* note 117.

121. See *id.* at 117.

122. See *Mazer*, 347 U.S. at 215.

123. See *id.*

124. See LEAFFER, *supra* note 117, at 118.

utilitarian aspects of the article.”¹²⁵ Yet, the courts have struggled in crafting a uniform test to determine separability, as a result of the subjectivity involved in weighing the aesthetic and utilitarian elements.¹²⁶

For instance, in *Brandir International, Inc. v. Cascade Pacific Lumber Co.*,¹²⁷ the majority and the dissent expressed two very different views of how to separate the elements.¹²⁸ According to the majority, if the design components of the product indicate the designer’s artistic judgment independent of functional considerations, then the artistic facet can be conceptually separated.¹²⁹ The dissent countered that separability of the disputed article should be based upon how the article was perceived, rather than the process used by the designer.¹³⁰

H. *Traffix Devices, Inc. v. Marketing Displays, Inc.*¹³¹

In *Traffix Devices, Inc. v. Marketing Displays, Inc.*, the trade dress dispute centered upon an invention that had an expired utility patent.¹³² The invention at issue was an outdoor, portable sign, typically used in roadside construction to post warning messages and in gas stations to inform the consumer of gasoline prices.¹³³ The distinguishing feature of the sign was its design, which enabled it to withstand wind conditions of up to eighty miles per hour without tipping over or wobbling, while remaining lightweight and portable.¹³⁴ One of the key inventive

125. 17 U.S.C. § 101 (2001) (paragraph beginning with “Pictorial, graphic, and sculptural works”).

126. See LEAFFER, *supra* note 117, at 120. For example, the Second Circuit applied a conceptual separation test in one case, *Kieselstein-Cord v. Accessories by Pearl*, while applying more of a physical separation test in another, *Carol Barnhart Inc. v. Economy Cover Corp.* In *Kieselstein-Cord*, the court found the ornamental aspect of a belt buckle design to be separable from its utilitarian function. Yet, the court found the aesthetic features to be “inextricably related to the utilitarian function” in *Carol Barnhart* for torso mannequins used for clothing display. See LEAFFER, *supra* note 117, at 120-21.

127. 842 F.2d 1142 (2d Cir. 1987). *Brandir* involved the copyrightability of a bicycle rack design of bent metal tubing in a serpentine, coiled pattern. See *id.*

128. See *infra* notes 129-30 and accompanying text.

129. See *Brandir*, 842 F.2d at 1145-46. The majority adopted a test proposed by Professor Denicola, who wrote the article *Applied Art and Industrial Design: A Suggested Approach to Copyright in Useful Articles*. See *id.* at 1145.

130. See *Brandir*, 842 F.2d at 1150-52.

131. 532 U.S. 23 (2001).

132. See *id.* at 26.

133. See *Sarkisian v. Winn-Proof Corp.*, 697 F.2d 1313, 1315 (9th Cir. 1983).

134. See *id.*

mechanisms of the sign was its dual-spring design.¹³⁵ Under ordinary conditions, the two springs would be sufficiently rigid to support the sign upright.¹³⁶ However, if high winds blew, the springs would bend, and the display sign would deflect.¹³⁷

In 1972, the PTO granted Robert Sarkisian utility patents for the dual spring signs, United States Patent Nos. 3,646,696, and 3,662,482 (the '696 patent and the '482 patent, respectively).¹³⁸ Sarkisian later brought a double patent infringement lawsuit, with the Ninth Circuit Court of Appeals finding that the defendant's sign stand infringed the '696 patent under the doctrine of equivalents and invalidating the '482 patent.¹³⁹ Eventually, Marketing Displays, Inc. (MDI) became the holder of the '696 patent.¹⁴⁰ MDI produced the patented signs under the name "Windmaster."¹⁴¹

After the '696 patent expired,¹⁴² Traffix Devices¹⁴³ began to manufacture and sell portable, outdoor signs, under the name "Windbuster."¹⁴⁴ The "Windbuster" signs appeared similar to the MDI "Windmaster," including a dual-spring design.¹⁴⁵ MDI sued, alleging that buyers and users would associate the signs with MDI because of the visible dual-spring near the base of the sign; this allegation became the basis of the trade dress claim.¹⁴⁶

MDI brought suit against Traffix under the Lanham Act in the United States District Court for the Eastern District of Michigan.¹⁴⁷ The court ruled against MDI, found the feature was functional, and determined that MDI had not acquired

135. See *Traffix*, 532 U.S. at 30.

136. See *Sarkisian*, 697 F.2d at 1315.

137. See *id.* at 1315.

138. See U.S. Patent No. 3,646,696 (issued Mar. 7, 1972). See also U.S. Patent No. 3,662,482 (issued May 16, 1972). A pair of springs were disclosed in the claims of both patents. This meant that Sarkisian intended to have patent protection extended to the dual springs.

139. See *Sarkisian*, 697 F.2d at 1315.

140. See *Traffix*, 532 U.S. at 25.

141. See *id.*

142. Since the '696 patent was issued in 1972, it would have expired in 1989, based on the patent law that was in effect at the time of issuance.

143. The spelling of the company name is not a typo. When referring to the company, it will be spelled as "Traffix Devices." When the comment is citing back to the case, it will be spelled *Traffix* with two lower case f's.

144. See *Traffix*, 532 U.S. at 26.

145. See *id.*

146. See *id.*

147. See *id.*

secondary meaning in its alleged trade dress claims.¹⁴⁸ However, the Sixth Circuit Court of Appeals reversed because the District Court erred by only focusing on the dual-spring design when evaluating MDI's trade dress.¹⁴⁹ It explained that a competitor could choose to use MDI's dual-spring design because the patent had expired, but the competitor would have to find some way to distinguish its sign from MDI's trade dress.¹⁵⁰ The court also noted that exclusive use of a feature under a trade dress claim, such as the dual-springs, must place competitors at a "'significant, non-reputation-related disadvantage' before trade dress protection is denied on the functionality grounds."¹⁵¹ The Sixth Circuit observed that there was a split among the Courts of Appeals in the other Circuits as to whether an expired utility patent would preclude a patentee from claiming trade dress protection for a product's design.¹⁵²

After the Sixth Circuit decision, *Traffix* requested certiorari, which the Supreme Court granted, deciding this case on March 20, 2001.¹⁵³ The Court found that MDI did not meet the burden of "overcoming the strong evidentiary inference of functionality based on the disclosure of the dual-spring design in the claims of the expired patents."¹⁵⁴ The Court examined extrinsic evidence from the *Sarkisian v. Winn-Proof Corp.* case¹⁵⁵ and the patent prosecution history,¹⁵⁶ and it deemed the springs necessary to the operation of the overall invention.¹⁵⁷ Consequently, the Court barred MDI from asserting trade dress claims for the dual-spring design.¹⁵⁸

In the *Traffix* decision, the Supreme Court reiterated that "trade dress can be protected under federal law."¹⁵⁹ It paraphrased the Lanham Act, stating that the party seeking to assert trade dress protection in a civil action possesses the burden of proof in establishing the non-functionality of the

148. *See id.* at 26.

149. *See Traffix*, 532 U.S. at 27.

150. *See id.*

151. *See id.* at 27-28.

152. *See id.* at 28.

153. *See id.* at 23.

154. *See Traffix*, 532 U.S. at 30.

155. *See id.* at 30-31.

156. *See id.* at 31-32.

157. *See id.* at 33-34.

158. *See id.* at 35.

159. *See id.* at 28.

matter for which it seeks protection.¹⁶⁰ With respect to the existence of an expired utility patent in trade dress cases, the Court concluded that the utility patent "is strong evidence that features therein claimed are functional," providing "great weight to the statutory presumption that features are deemed functional until proved otherwise by the party seeking trade dress protection."¹⁶¹ Furthermore, the Court added that the party requesting trade dress protection has the burden of demonstrating the non-functionality of the feature "by showing that it is merely an ornamental, incidental, or arbitrary aspect of the device."¹⁶² In its *Traffix* ruling, the Supreme Court side-stepped the question raised by the Sixth Circuit with respect to the possibility of alternative designs,¹⁶³ as well as the question raised by *Traffix* and some of its amici: the constitutionality of trade dress claims for products with expired utility patents.¹⁶⁴

III. IDENTIFICATION OF THE PROBLEM

Although asserting trade dress requires several elements,¹⁶⁵ the non-functionality requirement has been the most thorny; characterizing functionality is problematic as a result of the subjectivity involved and the danger of interchanging the legal and layman aspects of the term.¹⁶⁶ Even though courts agree that a feature disclosed in an expired utility patent is evidence of functionality,¹⁶⁷ they have not given consistent weight to this evidence, as they struggle with their own respective outlooks on functionality.¹⁶⁸

As a result of the inherent difficulties in resolving this issue, the Supreme Court attempted to refine its test for functionality in *Traffix Devices, Inc. v. Marketing Displays, Inc.*¹⁶⁹ According to the Court, functionality of a feature is presumed, if disclosed in an expired utility patent.¹⁷⁰ This presumption bars a trade dress

160. See *Traffix*, 532 U.S. at 29.

161. *Id.* at 29-30.

162. *Id.* at 30.

163. See *id.* at 33-34.

164. See *id.* at 35.

165. See *supra* Part II.C.

166. See CHISUM & JACOBS, *supra* note 2, § 5C, at 5-40.

167. See *supra* Part II.D.

168. See *Traffix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 28 (2001) (referring to the split in the circuit courts' decisions on a trade dress bar when expired utility patents are involved).

169. 532 U.S. 23, 29-30 (2001).

170. See *id.*

claim unless it is successfully rebutted.¹⁷¹ This new test has simplified matters because the presumption creates a very tall hurdle for one who wants to assert a trade dress claim for a product with an expired utility patent.¹⁷² Following the latest makeover for functionality in such cases, it remains to be seen how parties seeking trade dress protection will challenge the boundaries in infringement cases.

IV. ANALYSIS

A. *Interpretation of the Traffix Ruling*

In *Traffix Devices, Inc. v. Marketing Displays, Inc.*,¹⁷³ a unanimous Court set out several rules to "clear up" the muddy waters that result when trade dress claims and expired utility patents intersect.¹⁷⁴ First, it reiterated that the Lanham Act placed the burden of proof on the party seeking trade dress protection for establishing that the feature at issue is not functional.¹⁷⁵ By starting with this aspect of the Lanham Act,¹⁷⁶ the Court reminded the parties that functional product features could not be protected.¹⁷⁷

Second, the Supreme Court addressed the role an expired utility patent plays in a trade dress infringement suit.¹⁷⁸ It explained that an expired utility patent greatly bolsters the statutory presumption that the features claimed in the patent are deemed functional until demonstrated otherwise.¹⁷⁹ The Court eschewed the extremism that Traffix advocated, under which an expired utility patent would be clear evidence of functionality and thus would completely bar a trade dress claim.¹⁸⁰ Its precise and careful diction in summarizing the significance of an expired utility patent left the door ajar for a rebuttal.¹⁸¹ Furthermore, it even provided appropriate examples for a

171. See *id.* at 30.

172. See Kevin Galbraith, 2001 Panel Discussion on Current Issues in Trademark Law, 11 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 509, 526 (2001).

173. 532 U.S. 23 (2001).

174. See *id.*

175. See *id.* at 29.

176. See 15 U.S.C. § 1125(a)(3) (1994 & Supp. V 1999).

177. See *Traffix*, 532 U.S. at 29.

178. See *id.* at 29-30.

179. See *id.*

180. See *id.* at 35.

181. See *id.* at 30.

rebuttal, such as features that were "merely an ornamental, incidental, or arbitrary aspect of the device."¹⁸²

Finally, the Supreme Court distinguished its ruling from that of the Sixth Circuit, drawing a distinction between utilitarian and aesthetic functionality by clarifying its holding from *Qualitex Co. v. Jacobson Products Co.*¹⁸³ The Court opined that the Sixth Circuit misunderstood its *Qualitex* formulation for utilitarian functionality.¹⁸⁴ It reiterated its *Qualitex* definition: "'in general terms, a product feature is functional,' and cannot serve as a trademark, 'if it is essential to the use or purpose of the article or if it affects the cost or quality of the article.'"¹⁸⁵ The Courts of Appeals had morphed this standard into a test defined by "competitive need."¹⁸⁶ The Court explained, however, that *Qualitex* did not dislodge the traditional rule as formulated in *Inwood* but merely quoted it.¹⁸⁷ The Court ruled that it was proper to examine "significant non-reputation-related disadvantage" in aesthetic functionality cases.¹⁸⁸ The Courts of Appeals have interpreted that statement to mean that they should consider whether there were other design possibilities.¹⁸⁹ Consequently, since the issue in *Traffix* was one of utilitarian functionality, the Supreme Court did not ponder alternative designs, in contrast to the Sixth Circuit's contemplation of the possibility of a three or four spring design.¹⁹⁰

B. *Analyzing the Traffix Ruling*

In layman terms, the Supreme Court made the right call by gainsaying MDI's trade dress claims, or MDI would have enjoyed an indefinite monopoly over the use of the dual-spring design.¹⁹¹ By examining the expired patents, the patent prosecution history, and the prior patent infringement suit—as

182. *See id.*

183. *See Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 165 (1995).

184. *See Traffix*, 532 U.S. at 32-35.

185. *See id.* at 1261 (quoting *Qualitex Co. v. Jacobson Prods. Co.*, 514 U.S. 159, 165 (1995) (quoting *Inwood Labs., Inc. v. Ives Labs., Inc.*, 465 U.S. 844, 850 n.10 (1982))).

186. *See Traffix*, 532 U.S. at 32-33 (quoting *Vornado Air Circulation Sys., Inc. v. Duracraft Corp.*, 58 F.3d 1498 (10th Cir. 1995)).

187. *See Traffix*, 532 U.S. at 33.

188. *See id.*

189. *See id.*

190. *See id.* The consideration of alternative designs, such as a three or four spring design, is an application of the *Morton-Norwich* factors. *See supra* Part II.D.

191. *See Gill, supra* note 6, at 1269.

the Supreme Court did—most practitioners would find MDI's case weak at best.¹⁹² Based on the evidence MDI presented, the dual-spring design was not an arbitrary byproduct of the invention or an ornamental creation, but aided the overall effectiveness of the invention by allowing the sign to bend without tipping over.¹⁹³ Consequently, it was relatively easy for the Supreme Court to decide the case on the grounds of functionality under these facts.¹⁹⁴

By redirecting the functionality definition to the *Inwood* formulation of being just "essential to the use or purpose of the article" or affecting "the cost or quality of the article,"¹⁹⁵ the Supreme Court may have skewed the outcome of future cases. It broadened the meaning enough to encompass features that could formally have been found *de facto* functional so that they would now be *de jure* functional.¹⁹⁶ The Court's removal of the examination of alternative designs, without further clarification, revitalized the *Inwood* definition of functionality. In addition, it left the trier of fact more likely to find the disputed feature functional because there is no other reference point to compare against for a finding of *de facto* functionality. In essence, *Traffix* has the potential to eviscerate the distinction of *de facto* and *de jure* functionality, undermining existing policies and procedures for determining functionality.¹⁹⁷

Furthermore, with respect to leaving room for a rebuttal in presumed functionality, the Supreme Court offered little guidance for determining whether product features were ornamental, arbitrary, or incidental.¹⁹⁸ By removing the

192. See Galbraith, *supra* note 172, at 528.

193. See *Traffix*, 532 U.S. at 30-32. Furthermore, the springs were in the claims in the expired utility patent, which would indicate that they were a part of the invention. See U.S. Patent No. 3,646,696 (issued Mar. 7, 1972).

194. See *Traffix*, 532 U.S. at 30-32.

195. See *Inwood Labs., Inc. v. Ives Lab., Inc.*, 456 U.S. 844, 850 (1982).

196. See *supra* Part II.D.

197. Actually, this situation has begun to unfold. The PTO trademark examining attorneys will stop making *de facto* and *de jure* functionality distinctions in rejecting applications. However, if a feature or product design is *de facto* functional, the registration of such feature or design is not precluded, even after *Traffix*. See TRADEMARK MANUAL OF EXAMINING PROCEDURE § 1202.02(a)(iii)(B) (3d ed. 2001). Cf. TRADEMARK MANUAL OF EXAMINING PROCEDURE § 1202.03(a) (2d ed. 1997) (describing *de facto* and *de jure* functionality as a part of the examination procedure).

198. See *Traffix*, 532 U.S. at 34. The Supreme Court used the dual spring sign as an example. If it had "arbitrary curves in the legs or an ornamental pattern painted on the springs," then the Court could have reached a different finding. See *id.*

possibility of examining alternative designs, it also made it more difficult for parties trying to rebut functionality to prove that a feature or design is arbitrary or incidental, although that has not been the traditional use of the alternative designs argument.¹⁹⁹ The lack of guidance leaves such cases open to an even more subjective case-by-case determination.

Even though the Court has not established a bright-line test for separating ornamental, arbitrary, or incidental features in trade dress, the case history of copyright law for applied art in industrial designs presents an interesting analogy.²⁰⁰ This area of law has been problematic because of the subjectivity involved in trying to separate functional and aesthetic features.²⁰¹ Developing a more uniform or predictable process in separating trade dress features will be just as challenging for the courts, although the aesthetic threshold does not have to be very high in trade dress cases.

Moreover, by focusing its analysis on a particular feature rather than taking into consideration all of the features of the product design, the Supreme Court overruled the analyses of both the Courts of Appeals²⁰² and what the United States Patent and Trademark Office practices.²⁰³ The particular feature

However, this hypothetical with the dual spring sign does not offer much of a bright line rule on how to determine whether something is ornamental, arbitrary, or incidental. In a post-*Traffix* case, *Metrokane, Inc. v. The Wine Enthusiast*, the district court determined a corkscrew design, although clearly derived from an expired utility patent, was ornamental because of the shape of the components did resemble a rabbit's head and ears. Metrokane marketed and sold the *Rabbit* corkscrew. The shapes and curves in the *Rabbit* fell within the narrow functionality exception in *Traffix*. See *Metrokane, Inc. v. The Wine Enthusiast*, 160 F. Supp 2d 633, 635 (S.D.N.Y. 2001).

199. See, e.g., *Eppendorf-Netheler-Hinz GMBH v. Ritter GMBH*, 289 F.3d 351 (5th Cir. 2002). Eppendorf manufactured pipette tips, and Ritter copied Eppendorf's product designs. See *id.* at 354. The district court ruled that Eppendorf's designs were not functional by finding alternative designs, but the Fifth Circuit reversed because of the *Traffix* functionality formulation of being essential to the use or purpose. See *id.* at 354-55. Even though Eppendorf only raised the alternative designs argument to demonstrate non-functionality of its product design, it could be argued that the alternative designs could show Eppendorf's pipette configuration was arbitrary or incidental. Common sense would dictate that different designs could exist for pipette tips, such as varying the shape and size of the pipette tip components.

200. See *supra* Part II.G.

201. See *supra* Part II.G.

202. See *CHISUM & JACOBS, supra* note 2, § 5C, at 5-42.

203. See *TRADEMARK MANUAL OF EXAMINING PROCEDURE* § 1202.03(a)(iii) (2d ed. 1997) (describing that a product design as a whole should be considered in determining functionality).

analysis for trade dress also reflects the opposite of that for design patent application evaluation and the recommended procedure for de jure functionality examination for trade dress.²⁰⁴ According to the Manual for Patent Examining Procedure, the examiner is to view the invention in its entirety, rather than individual features, in his determination of a product's non-functionality or ornamentality.²⁰⁵ In trade dress cases, courts commonly discuss design patents because these two areas of law have similar required elements.²⁰⁶ Therefore, a different functionality analysis in these two areas presents confusion for both judges and patent or trademark examiners.

C. *The Merits of the Traffix Ruling*

In *Traffix Devices, Inc. v. Marketing Displays, Inc.*,²⁰⁷ the Supreme Court created a judicially expedient procedure for resolving trade dress infringement cases when expired utility patents are also involved. By focusing on the functionality aspect of the feature first and presuming that functionality exists when there is an expired patent, this procedure also avoids an analysis of the feature's inherent distinctiveness, secondary meaning, and alternative feature designs in most cases because that presumption is challenging to overcome.²⁰⁸ Clarifying the functionality presumption and placing the burden of proof on the party seeking trade dress protection²⁰⁹ results in the courts hearing fewer trade dress infringement suits involving expired utility patents, reducing judicial involvement in patent claim interpretation.²¹⁰

The Supreme Court simplified trade dress functionality determinations that involve expired utility patents.²¹¹ By articulating a presumption of functionality for a feature

204. See MPEP, *supra* note 20, § 1504.01(c) at 1500-14 to -15.

205. See *id.*

206. See Ronald J. Horta, *Without Secondary Meaning, Do Product Design Trade Dress Protections Function as Infinite Patents?*, 27 SUFFOLK U. L. REV. 113, 123-29 (1993).

207. 532 U.S. 23 (2001).

208. See *id.* at 33-34.

209. See *id.* at 29-30.

210. Judges conduct a Markman hearing, to interpret the disputed patent claims. See generally *Markman v. Westview Instruments, Inc.*, 517 U.S. 370 (1996) (determining that claims interpretation was a matter of law to be done by judges only, giving rise to the term Markman hearing).

211. See *Traffix*, 532 U.S. at 29-30 (on the strong presumption of functionality when expired utility patents are involved).

disclosed in an expired utility patent,²¹² the Court made the functionality analysis straightforward for courts to apply when similar fact patterns arise. As a result of this decision, judges and attorneys no longer have to spend hours wading through case law dealing with functionality. Yet, the *Traffix* ruling on the significance of expired utility patents was not overly extreme, leaving room for rebuttal if the party seeking trade dress protection could demonstrate that a disclosed feature in the patent was a "merely ornamental, fanciful, or arbitrary aspect of the device."²¹³

From a public policy standpoint, the *Traffix* ruling propagated a sense of fairness by broadcasting a clear message to businesses that they cannot manipulate trademark laws to extend their monopoly on functional features disclosed in an expired utility patent.²¹⁴ This ruling restored balance to patent law, while settling such trade dress claims. It underscored the quid pro quo aspects of patent law, whereby disclosing an invention to the public earns the patent holder a limited monopoly to exclude others.²¹⁵ The framers of the Constitution and Congress designed patent law to provide incentives for inventors to create and disclose their invention, with the trade off that the disclosed information would stimulate new innovation.²¹⁶ Although MDI was not the first company to assert a trade dress claim on a functional feature previously disclosed in an expired utility patent, and it probably will not be the last, the *Traffix* ruling builds significant barriers to attempts to beat the system.

D. *The Possible Fallout of Traffix*

Presuming functionality in a trade dress infringement case in which the disputed feature was disclosed in an expired utility patent not only creates an enormous hurdle for trade dress assertions, but may also spur businesses in unabashedly copying product features from expired utility patents.²¹⁷ The removal of

212. See *id.*

213. *Id.* at 30.

214. See CHISUM & JACOBS, *supra* note 2, § 5C, at 5-39.

215. See *id.*

216. See *id.*

217. See Joanne Hepburn, *Legal Update: Caution: Roadblock Ahead: Patent Revealing Traffic Sign Stand's Functionality Prevents Trade Dress Protection*, 7 B.U. J. SCI. & TECH. L. 413, 420 (2001).

obstacles to copying product features could cause society more harm than benefit. Some commentators would argue that copying could stimulate new ideas and designs that would advance competition, and that competition would in turn benefit consumers by providing more product choices at lower prices.²¹⁸ However, history and the competitive nature of business indicate that most companies find that the easiest way to penetrate an established market with the least amount of effort is by imitating the market leader rather than trying new ideas.²¹⁹ Such imitation removes a great deal of creativity and ingenuity from a product marketing or engineering standpoint.²²⁰

Assuming that the imitated product feature was truly distinct and recognized by consumers as originating from the market leader, such imitation likely would abuse the consumers' trust and ruin the market leader's goodwill.²²¹ The outcome of *Traffix* could return the American consumer market to the days of *Sears-Compco*, when the Warren era of the Supreme Court ruled that all of the contents within an expired utility patent would pass into the public domain and thereby promoting competition while benefiting society more.²²² The *Traffix* decision promotes the same message and will likely yield the same outcome.

To prevent uncontrolled product feature copying, companies will instruct their respective intellectual property counsel to devise other ways to protect their creations. One possibility is for companies to protect product designs via copyright law, if the design contains aesthetic components that could be separated from the functional, utilitarian components.²²³ Companies could thus obtain protection through copyright in case their trade dress assertion fails.²²⁴

Alternatively, patent attorneys might advise inventors to generate a design patent from the invention slated for a utility patent.²²⁵ Congress intended design patents protect ornamental

218. See Galbraith, *supra* note 172, at 528.

219. See *supra* Part II.F-G.

220. See *supra* Part II.F-G.

221. See *supra* Part II.B.

222. See *supra* Part II.F.

223. See *supra* Part II.G.

224. See, e.g., *Yurman Design, Inc. v. PAJ, Inc.*, 262 F.3d 101 (2d Cir. 2001) (upholding the copyright infringement but stating that the plaintiff failed to prove a trade dress claim).

225. See Galbraith, *supra* note 172, at 536-43.

designs,²²⁶ so however, obtaining such protection might require the inventor to implement ornamental facets into the invention. To obtain a design patent, an applicant must prove novelty and nonobviousness, just as in the case of a utility patent, but the design cannot be functional.²²⁷ Thus, the applicant should prosecute both the design and utility patent applications concurrently because the window of opportunity to apply and receive design patents is limited.²²⁸

Some commentators argue that the requirements for a design patent are more difficult to meet than the ones for trade dress protection, and note that the protection period for a design patent is only fourteen years.²²⁹ However, acquiring trade dress protection, while easier to achieve through distinctiveness or secondary meaning, requires the product to be in the market before the protection applies, exposing the product to potential competitors unprotected by a patent.²³⁰ On the other hand, a design patent provides fourteen years of protection, including the time before the product enters the market,²³¹ and affords greater protection against infringement.²³² Case law suggests that a company could obtain trade dress protection after a design patent has expired, if a product has acquired secondary meaning sufficient to meet trade dress standards.²³³ However, it remains to be seen how the courts will handle trade dress claims involving both expired utility and design patents covering features of the same product. Nevertheless, it is possible that products could be better protected by a design patent and trade dress combination.

However, if a design patent is not feasible, patent prosecutors may examine the relationship between the inventive

226. See *supra* note 28 and accompanying text.

227. See *supra* note 29 and accompanying text.

228. This statement may seem counterintuitive because utility and design patents protect different aspects of an article. However, for example, a patent examiner may reject a later design patent application for a lack of novelty based on 35 U.S.C. § 102, citing to the earlier utility patent for the same article. The earlier utility patent may have disclosed ornamental elements through the drawings that the later design patent application now claims.

229. See Galbraith, *supra* note 172, at 536.

230. See *id.*

231. See *id.*

232. See LEAFFER, *supra* note 117, at 124 (noting that design patent owners can enforce their patent against "a design substantially similar in appearance, even those persons who have not copied the design").

233. See *Esercizio v. Roberts*, 944 F.2d 1235, 1241 (6th Cir. 1991).

aspect of the invention and the appearance of the invention more closely. They may draft the patent in a way that may better enable the patent owner to claim trade dress protection later on.

V. PROPOSAL

The Supreme Court provided its own answers for resolving trade dress infringement claims involving expired utility patents by taking a firm stand against the monopolization of a functional feature previously disclosed in a patent through the backdoor of trademark law.²³⁴ However, in the process it left intellectual property practitioners and scholars searching for a more complete answer to the protection issues raised by trade dress. Basic functionality questions remain unanswered, and the Court failed to consider the multitude of potential effects that *Traffix Devices, Inc. v. Marketing Displays, Inc.*²³⁵ could promulgate.

In the ideal world, the solution for resolving the functionality issues in trade dress claims would embrace the fundamental goals of both trademark and patent law, while advancing each area's different interests. Trademark law protects both the manufacturer and the consumer through the exclusive and indefinite use of a unique product identifier, preventing other businesses from palming off the goodwill of the manufacturer and confusing the consumers as to the source of the product.²³⁶ In contrast, patent law's quid pro quo system promotes protecting inventors by granting limited exclusionary rights while providing the public with the information about the invention that could lead to new inventions.²³⁷

Formulating a fair and balanced solution for both trademark and patent interests requires several subjective inquiries. Legislators should consider the possibilities from both an inventive and consumer viewpoint and should examine the product or invention in question in its entirety and as a product of its individual components. This examination should ferret out *de jure* functionality in the disputed feature set to prevent trade dress abuse. This inquiry assumes that there also could be *de facto* functionality for the individual components or the

234. See *supra* notes 159-62 and accompanying text.

235. See *Traffix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23 (2001).

236. See *supra* Part II.B.

237. See *supra* note 36 and accompanying text.

whole product. However, de facto functionality should not be an issue for trade dress assertions.²³⁸

The starting point of the analysis should be the inventor's perspective so that the purpose and the enabling mechanism of the invention or product can be understood. For instance, questions to ask would be what is the invention or product and what does it do? The next part of the inquiry should come from the consumer's perspective because the consumer determines the ultimate value of a product. Why would a reasonable consumer purchase this product? If the disputed feature or overall product configuration were removed and the overall effectiveness of the product were reduced to that of the prior art, would the reasonable consumer decline to purchase the product? If the answer to this question is yes, then the feature is de jure functional and should automatically be barred from trade dress protection.

Applying the previous questions to the facts of *Traffix Devices, Inc. v. Marketing Displays, Inc.* helps to illustrate their effectiveness.²³⁹ The MDI utility patents covered a design that prevented outdoor signs from being blown down by strong gusts of wind because the dual-springs design at the base enabled the sign to bend.²⁴⁰ The reasonable consumer bought these signs because they could withstand strong gusts of wind without tipping over.²⁴¹ If the dual springs were removed, the sign would be like other signs, with solid supporting legs all around, and would tip over under windy conditions. As a result, it is unlikely that a reasonable consumer would consider buying a sign from MDI over any other if the dual springs were gone. This result leads to the conclusion that the dual springs are de jure functional and that the product should be barred from trade dress protection.

Hypothetically, if the MDI signs had rounded edges and an oblong shape for the sign frame and Traffix copied the same look for its sign, MDI could probably assert trade dress protection successfully because the purpose of the sign's dual springs was to withstand strong gusts of wind. The dispute over the copied appearance of the sign frame would have little to do with the product's valuable element, namely wind

238. See *supra* Part II.D.

239. See *Traffix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23 (2001).

240. See *supra* notes 134-37 and accompanying text.

241. See *supra* notes 134-37 and accompanying text.

resistance, which was the reason that the reasonable consumer bought the signs. The appearance of the sign frame would not be de jure functional, and thus trade dress protection for the sign frame would not be automatically barred.

Even by enumerating these proposed guidelines for a functionality analysis in a trade dress claim, the judicial and legislative branches continue to face many challenges in shaping fair policy in this area of law. The concept of functionality is subjective, and various commercial and societal issues obfuscate the appropriate meaning of functionality. The best long-term solution is for Congress to add amendments to both trademark and patent law delineating the boundaries of functionality more clearly, such that a single definition of functionality would apply to both areas of law. This uniformity is important because, as more patented inventions and designs enter the marketplace, more patents on those inventions and designs will intersect with trademark protection.

Furthermore, if the *Traffix Devices, Inc. v. Marketing Displays, Inc.*²⁴² decision prompts more design patent applications, then patent examiners should consider the invention in its entirety when evaluating its ornamental and non-functional qualities.²⁴³ This examination methodology runs counter to what the Supreme Court ruled in *Traffix*.²⁴⁴ From a public policy standpoint, this disparity is undesirable because trade dress and design patent protection are similar in that both consider the non-functional aspects of a product and both are regulated by the same governmental agency. Such differences could come into play later as more businesses assert trade dress for features covered in expired design patents.

Once again, whatever definition Congress enacts for functionality determinations, it should be applicable to both trade dress and design patent protection. Any differences in regulation between the two areas should be harmonized so that they are compatible with one another, in a way that they do not cancel each other out or create a system wherein one is favored over the other. In addition, the courts and the United States Patent and Trademark Office should use the same guidelines to resolve such complex cases.

242. 532 U.S. 23 (2001).

243. For a discussion on the procedures a patent examiner uses to evaluate a design patent, see *supra* notes 203-05 and accompanying text.

244. See *Traffix*, 532 U.S. at 32-33.

VI. CONCLUSION

With *Traffix Devices, Inc. v. Marketing Displays, Inc.*²⁴⁵ decided, intellectual property scholars and practitioners are left to sort out the future of trade dress cases as it relates to trademark and patent law. The Supreme Court's decision in *Traffix* turned the evaluation procedure for functionality upside down, and made trade dress assertions extremely difficult when the disputed feature is disclosed in an expired utility patent.²⁴⁶ This shift in the standards for evaluating functionality has left more questions than answers. The Supreme Court made a bold move in resolving the confusion created by the Courts of Appeals by taking a firm stand as to how to characterize functionality for trade dress when expired utility patents are involved. Nevertheless, its *Traffix* ruling did not effectively balance the overall aims of trademark and patent law. Rather, it prevented the subversion of patent law through the trade dress loophole, while leaving consumers and businesses open to uncontrolled product design copying. As Congress and the courts further refine the definition of functionality, more thought should be placed on the balancing of trademark and patent law interests and the promotion of a consistent, compatible, and harmonized policy applicable to both trademark and patent law. The only certainty for the future in this area of law is the growing complexity in the interaction between trademarks and patents. As more companies apply for patents for their products, they will use every competitive advantage that they can, trademark or patent, to protect and market their product.

245. See *Traffix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23 (2001).

246. See generally *Traffix*, 532 U.S. 23.
